

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

UNITED STATES OF AMERICA,)	
Plaintiff,)	
)	
vs.)	CIVIL NO. DNCW3:18CV336
)	(Financial Litigation Unit)
)	
OSLLUSIA GATES)	
Defendant.)	

COMPLAINT

The United States of America, by and through its undersigned counsel, for its cause of action against Defendant states the following:

1. Plaintiff is the United States of America ("United States") and this Court has jurisdiction over the subject matter of this action by virtue of 28 U.S.C. § 1345. This is a debt collection action pursuant to the Federal Debt Collection Procedures Act of 1990, 28 U.S.C. § 3001 *et seq.*

2. Defendant, Oslusia Gates, is a resident of the City of Charlotte, Mecklenburg County, North Carolina, residing within the jurisdiction of this Court in the Western District of North Carolina.

3. Defendant is not in military service within the purview of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended by the Service Members' Civil Relief Act of 2003.

4. Defendant executed a promissory note to secure a loan from the Department of Education. The loan proceeds were disbursed to or on behalf of Defendant. Defendant has defaulted on the obligation to repay the loan(s). Pursuant to 34 C.F.R. § 685.202(b), unpaid interest was capitalized and added to the principal balance.

5. Defendant is indebted to Plaintiff in the principal amount of \$80,120.48, plus interest on this principal computed at the applicable note rate in the amount of \$38,747.85 as of June 12, 2018, and interest thereafter on this principal at the applicable note rate from this date until the date of judgment.

6. A copy of the Certificate of Indebtedness establishing the basis for Defendant's liability for this debt and a copy of the Promissory Note signed by Defendant is attached to this Complaint as Exhibit A and incorporated by reference.

7. Demand has been made upon Defendant by Plaintiff for the amount owed but Defendant has failed to pay same.

Wherefore, Plaintiff prays for judgment against Defendant for the total amount of \$118,868.33 as of June 12, 2018, plus interest from the filing of this complaint to the date of judgment, the costs of this action and such other and further relief to which Plaintiff may be entitled in law or equity. Plaintiff further demands, pursuant to 28 U.S.C. § 1961, that interest on the judgment be at the legal rate until paid in full.

This June 26, 2018.

R. ANDREW MURRAY
UNITED STATES ATTORNEY
WESTERN DISTRICT OF NORTH CAROLINA

s/Tiffany Mallory Moore
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U. S. DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA

CERTIFICATE OF INDEBTEDNESS #1 OF 1

Oslusia Gates
11016 Pale Hickory Ln
Charlotte, NC 28215-8034
Account No. xxx-xx-2098

I certify that U. S. Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 06/12/18.

On or about 09/07/00 the borrower executed a promissory note to secure a Direct Consolidation loan from the U. S. Department of Education. This loan was disbursed for \$33,718.94 & \$7,925.81 on 10/16/00 at 8.25% interest per annum. The loan was made by the Department under the William D. Ford Federal Direct Loan Program under Title IV, Part D of the Higher Education Act of 1965, as amended, 20 U.S.C. § 1087a *et seq.* (34 C.F.R. Part 685). The Department demanded payment according to the terms of the note, and the borrower defaulted on the obligation on 09/15/12. Pursuant to 34 C.F.R. § 685.202(b), a total of \$38,475.73 in unpaid interest was capitalized and added to the principal balance.

The Department has credited a total of \$10,790.32 in payments from all sources, including Treasury Department offsets, if any, to the balance. After application of these payments, the borrower now owes the United States the following:

Principal:	\$ 80,120.48
Interest:	\$ 38,747.85

Total debt as of 06/12/18:	\$ 118,868.33
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Interest accrues on the principal shown here at the rate of \$18.10 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: 06/12/18



Christopher Bolander
Loan Analyst/Litigation Support

Government
Exhibit
A

Promissory Note

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SEP 14 2000

Borrower's Name: OSLUSIA GATES
Borrower's Social Security Number: [REDACTED] 2098

REPAYMENT PLAN SELECTION

Carefully read question #5, "What are my repayment plan options?" on the "Frequently Asked Questions" Page to understand the repayment plans available to you. Then, complete this section to select your repayment plan. Remember--

- All student loans must be repaid under the same repayment plan. Parent PLUS loans may be repaid under a different repayment plan.
- If you select the Income Contingent Repayment Plan, you must complete the "Repayment Plan Selection" AND "Income Contingent Repayment Plan Consent to Disclosure of Tax Information" forms. Both forms can be downloaded from the "Forms and Publications" Page. **Your selection cannot be processed without these forms.**
- **If you want to consolidate a defaulted student loan(s) and you have not made a satisfactory repayment arrangement with your current holder(s), you must select the Income Contingent Repayment Plan.**

Place an "X" in the box that corresponds to your repayment plan selection for each loan type. Note that Direct PLUS Consolidation Loans cannot be repaid under the Income Contingent Repayment Plan.

		Income Contingent	Standard	Extended	Graduated
STUDENT LOANS	Direct Subsidized and Unsubsidized Consolidation Loans:	X			
PARENT LOANS	Direct Plus Consolidation Loans:	N/A			

PROMISSORY NOTE

Promise to Pay:

I promise to pay to the U.S. Department of Education (ED) all sums (hereafter "loan" or "loans") disbursed under the terms of this Promissory Note (note) to discharge my prior loan obligations, plus interest, and other fees that may become due as provided in this note. If I fail to make payments on this note when due, I will also pay collection costs including but not limited to attorney's fees and court costs. If ED accepts my application, I understand that ED will on my behalf send funds to the holder(s) of the loan(s) selected for consolidation in order to pay off this loan(s). I further understand that the amount of this loan will equal the sum of the amount(s) that the holder(s) of the loan(s) verified as the payoff balance(s) on that loan(s) selected for consolidation. My signature on this note will serve as my authorization to pay off the balance(s) of the loan(s) selected for consolidation as provided by the holder(s) of such loan(s).

This amount may be more or less than the estimated total balance I have indicated in the Loan Information Section. Further, I understand that if any collection costs are owed on the loans selected for consolidation, these costs may be added to the principal balance of the consolidation loan.

I understand that this is a Promissory Note. I will not sign this note before reading it, including the text on the reverse side, even if I am advised not to read the note. I am entitled to an exact copy of this note and a statement of the Borrower's Rights and Responsibilities. My signature certifies that I have read, understand, and agree, to the terms and conditions of this note, including the Borrower Certification and Authorization printed on the reverse side and the Borrower's Rights and Responsibilities.

*There is no text on the other side.
9/7/00

If consolidating jointly with my spouse, we agree to the same terms and conditions contained in the Borrower Certification and Authorization. In addition, we confirm that we are legally married to each other and understand and agree that we are and will continue to be held jointly and severally liable for the entire amount of the debt represented by the Federal Direct Consolidation Loan without regard to the amounts of our individual loan obligations that are consolidated and without regard to any change that may occur in our marital status. We understand that this means that one of us may be required to pay the entire amount due if the other is unable or refuses to pay. We understand that the Federal Direct Consolidation Loan we are applying for will be cancelled only if both of us qualify for cancellation. We further understand that we may postpone repayment of the loan only if we provide ED with written requests that confirm Federal Direct Consolidation Loan Program deferment or forbearance eligibility for both of us at the same time.

I UNDERSTAND THAT THIS IS A FEDERAL LOAN THAT I MUST REPAY.

Signature of Borrower

Date

Signature of Spouse(if consolidating jointly)

Date